

looking ahead

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Looking Ahead Presents

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giving the full text of the address made by The Honorable Gabriel Hauge, Administrative Assistant to the President, at the December 13 luncheon session of the Twentieth Anniversary Joint Meeting of the National Planning Association, held in Washington, D.C. on December 13 and 14, 1954.

White House Staff Work

by Gabriel Hauge

Administrative Assistant to the President of the United States

MR. CHAIRMAN, Officers and Directors of the National Planning Association, and Ladies and Gentlemen: I listened with a great deal of sympathetic interest to some of the items of the Chairman's introduction. I surely must ascribe some of the things he said about me to our long-standing friendship. I noticed, for example, his careful choice of words, "the smooth flow of news from the White House." And I noticed also some reference to "expert politician." Well, if that impression is conveyed, I suppose it is all to the good.

I am delighted to be here, Mr. Chairman, because I find so many old friends here at the head table and out among the tables in this room.

The studies of the National Planning Association were, of course, known to me long before I came to the particular work in which I am now engaged, and they will continue to be of interest to me long after I have left this particular work. I want to say to you, Mr. Chairman, that all of the studies which originate in your group, to which various agencies of the Government seek to lend full cooperation within their areas of responsibility, are accorded the very closest kind of attention. And I can at least speak for myself and say that whenever I get one, I take it home with me at night, which is the only time I have to try to do some serious, uninterrupted reading.

I am going to undertake to say a few things about White House staff work. This is a subject in the broad field of the administration and organization of Government which I know has interested your group for some time. The President of the United States is a man who in his lifetime has been used to discharging heavy responsibilities of a varied nature. Having come up through the military service, he has his ideas about staff work, staff work that has proved successful in helping him to do his work in the past. He has been seeking over the past several months to develop within his own group, for which he is directly responsible, the kind of staff work that will further the public business on the most expeditious, efficient, and safe basis possible.

The Assistant to the President

Within the White House itself, as you know, the President has created an office—or, rather, has used an existing office that was held by Mr. Steelman when

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Several personnel changes and additions in the White House staff have been announced since Mr. Hauge addressed the NPA Joint Meeting. The additions include the appointment of two new Special Assistants to the President, Nelson A. Rockefeller and Harold E. Stassen.

Before coming to the White House as Administrative Assistant for economic affairs, Mr. Hauge worked as an economist, statistician, and editor for many private and public institutions, including McGraw-Hill Publishing Company, the New York State Banking Department, Princeton University, and the Federal Reserve Bank.

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he served under President Truman—which has the title “The Assistant to the President.” I have always thought that these titles in the White House are about as unglamorous as any. “The Assistant to the President,” that is the Number One man in the White House staff. General Eisenhower has adapted that post to make it a little different from what it was before. He has made Governor Sherman Adams what, in the light of his former experience, is in effect Chief of Staff. A great deal of the business runs through Governor Adams’ office. Obviously, there are many kinds of business where some of us who are specialists deal directly with the President and get recommendations approved or get a resolution on matters where there is an important division of opinion. This post of Chief of Staff is held by a man who is called all sorts of things, according to what I read in the newspapers and hear from time to time. I want to say, however, that he is a man who is a possessor not only of a first-rate brain—and that is very helpful under any circumstances—but in addition to that has a capacity for moving business along that is most impressive. I think John Steelman knows that. He helped us out in the first few weeks back in 1953 when we were all trying to find out where our offices were. Governor Adams moves a vast amount of public business expeditiously, carefully, objectively, with an absolute minimum of intervention of personal bias and spleen.

Sherman Adams carries an extraordinarily heavy load. It is one of the problems that develops, of course, when you have a Chief of Staff organization. But I think it works very effectively. And I think when history is written, Sherman Adams’ great place in the moving of public business will be recognized.

The Deputy Assistant to the President

Major General Wilton Persons, deputy to Governor Adams and a long-time associate of the President, has the primary responsibility for the liaison activities of the Congress. In that responsibility he is assisted by four officers of the White House: Gerald Morgan, Jack Martin, Homer Gruenther—who is Al Gruenther’s brother—and Earl Chesney. These men have the task of maintaining successfully liaison with the Hill. Needless to say, they are a very busy group.

I came to this luncheon today from the first half of the first day of our two-day meeting with legislative leaders—today we have ours, tomorrow we have those who are going to organize the Congress. This meeting was organized by the legislative liaison group that is under the general direction of General Persons, the Deputy Assistant to the President.

The Statutory Secretaries

Then we move to the statutory secretaries, that is, the secretaries as provided in the statutes: Jim Hagerty, who has the responsibility of satisfying the needs of the fourth and fifth estates; Tom Stephens, the man who

somehow is supposed to be able to leave everybody happy who wants to see the President and can’t, and to induce those people who do get in to see the President to hold to the schedule. All of this takes all the Irish wit and humor that came with Stephens when he left County Cork at a very early age and came to this country.

Special Counsel to the President

Then you have the Special Counsel to the President, the President’s lawyer, a New Jersey attorney by the name of Bernard Shanley who, working with the Justice Department, has the responsibility of keeping the President up to the legal mark.

The Special Assistants

There are two Special Assistants to the President. The Special Assistant for National Security Affairs is Robert Cutler, a somewhat reticent man publicly, but one of the really great citizens of this country. Cutler has worked harder than any man I have ever known in my life in keeping the business of the National Security Council moving from the Planning Board and up to the Council Meeting for discussion and final decision by the President, and then for effectuation through the OCB, the Operations Coordinating Board. The other Special Assistantship is a brand new job set up only a day or so ago by the President in a letter to Joseph Dodge, naming him Special Assistant with the responsibility for filling what I think is a very important gap in our governmental structure on the Executive Branch side. That is a place, a focus, where foreign economic policy in all its manifold aspects can be ranged and arrayed and worked out, problems anticipated, a coordinated policy developed by the members of the Council working under the Chairmanship of the Special Assistant and, at those times when important decisions ought to be made, under the Chairmanship of the President himself.

I want to return to this, because it is so very important, and it is so new, I think I might be able to shed a little bit of light on it.

The Administrative Assistants

Then there are certain Administrative Assistants to the President. I have already talked about those who serve in the Legislative Liaison Branch. There is an Administrative Assistant, Bryce Harlow of Oklahoma, who has the responsibility of generating drafts of reports and addresses for the President to work over—and he really works them over. Then there is an Administrative Assistant for Economic Affairs, which post I happen to hold at the present time.

Now, this basic staff around the President, ten principal assistants, is backed up in turn by two offices which the President himself has created. Of those offices that I mentioned to you, The Assistant to the

President is, of course, an existing office. The Deputy Assistant to the President is a designation, a new office. With respect to the two Special Assistants, their designations do not follow the previous pattern. But you will remember there are six Administrative Assistants provided by law. Today I am violating one of the main characteristics of those assistants—the passion for anonymity.

The Office of Staff Secretary

The President, in an effort to tighten up and make as efficient as possible the operation of his own staff office, created the Office of Staff Secretary. It was held in the beginning by a very great American who perhaps many of you did not know and who has now left us. Paul T. Carroll, one of the brilliant young men of the Army, a Brigadier General of a very recent class, was stricken with a heart attack late last year, recovered, and then was stricken again, this time fatally. We miss Pete Carroll very much. He had a distinction of mind, a purity of character, that you will find in few people.

The President moved quickly to fill this vacancy because the Staff Secretary's Office to him is something that could not remain unmanned. To fill the post he drafted another very promising Army officer who came up through the Engineering Corps and who served on General Eisenhower's staff at NATO. A great big giant of a man six feet four, Andy Goodpaster has been with us now about two or three months. It looks to us that if there is anybody to fill Pete Carroll's shoes it is Andy Goodpaster.

The Staff Secretary's Office is a switching point for the various requests for action that come in to the White House or go out to the cognizant departments and agencies. A member of the White House Staff rides herd on each item. The Staff Secretary goes in to the President several times a day to discharge the items that have cleared through his unit. There is a tendency, of course, when you set up a control point in a pipeline, or any kind of mechanism, that you set up at the same time the possibility of delay. But, looking at the dates that are stamped on the documents as they are received and comparing them with the effective dates of action on them, I think it is pretty clear that this White House Staff Secretary's Office is working out effectively. I think it is cutting the action time, and I think it is getting coordinated action that leads to fewer kick-backs and feed-backs to the operating agency.

The Office of Cabinet Operations

More recently the President has created the Office of Cabinet Operations. Max Rabb, a bouncing guy from Boston, a very intelligent, devoted, able fellow, is in charge. He used to be Cabot Lodge's Administrative Assistant on the Hill and has a very wide acquaintanceship in Washington.

Max Rabb's job, as has been announced in the press

rather recently, is to do what such an office can do to improve the effectiveness of Cabinet operations, to make the meetings of the Cabinet effective and efficient, but not too efficient. You can get too efficient, and you can blight the rose. If everything has to be on an agenda and nobody can speak unless he is Item Number Four, obviously you have gone to the point of stupidity. But with the organization of the agenda the Cabinet papers can be prepared in advance so that when Cabinet members come to the meeting they are fully informed as to what is going to be discussed and they don't have to shoot from the hip. There are further the essential matters of recording the decisions of the Cabinet, seeing to it that the decisions are communicated to those responsible and interested, and finally that the decisions of the Cabinet are given effect.

This is quite a new operation, and there is not yet a body of experience by which to judge it. But it seems to me just on a common sense basis that it is going to fill a need. And I think that it is going to prove itself and is going to be a helpful addition to the effective operation of the Executive Branch as a whole.

The Executive Office of the President

Now, flanking this set of organizational arrangements is, of course, the Executive Office of the President. In the Executive Office of the President are four groups that are continuations of the mechanisms that were in existence when the new Administration came in: the Bureau of the Budget, of course; the National Security Council, although its procedures have been considerably reorganized; the Office of Defense Mobilization, which also was reorganized; the Council of Economic Advisers, whose precarious existence in the early part of 1953 I remember so well. We had quite a time in keeping the Council of Economic Advisers from going under. Some day I am going to write a book about this episode.

The Council on Foreign Economic Policy

There is, too, the new organization which the President has just announced, the Council on Foreign Economic Policy. I want to say just a word about that before I shift over to the final item on my little agenda, the economic staff work in which I am particularly interested.

The President has felt for a long time, as I mentioned a moment ago, that, as we are shifting into a period when the chances are improving that we are going to hear less gunfire and see less blood flow, economic factors are going to be more and more important. As we have begun to get the feel of this gigantic Federal Government, it has become clear that foreign economic policy has become a primary interest of many departments and agencies of the Executive Branch. There was a time, I remember, when Will Clayton held a title called "Under Secretary of

State for Economic Affairs." I don't know what happened to that title, but I don't see it any more in the organization charts. The Department of State obviously has a fundamental interest as the Department which represents us in all negotiations and dealings with foreign countries. But in an age when you have an immense agricultural surplus disposal program, the Department of Agriculture also has a great interest in some foreign economic policies. In an age when you have the Government involved in all sorts of lending and guaranteeing operations around the world, the Department of the Treasury has a very legitimate interest in foreign economic policy. You have the Department of Commerce with a very deep and legitimate interest, as evidenced by the fact that for years it has had an Office of International Commerce. You have the Foreign Operations Administration, a creation of the Congress to pull together and administer many programs in this field. So it goes, one department after another.

We have had some mechanisms that dealt with this matter. In the Bretton Woods legislation the National Advisory Council was set up. It has such a long title I can never remember it, but it is something like this: National Advisory Council on International Monetary and Financial Problems. You get the point, it is finance, solely finance. And as you know, it is the source from which our representatives on the World Bank and the Fund get their instructions. It is the place where the contact between the Export-Import Bank and the Administration, or the Executive Branch, is effected, and a variety of other activities are carried on in the international finance field. Then you have the National Security Council, which, of course, has had to consider many problems of an economic and financial nature. But in many instances it has done so simply because there has not been an adequate place in the Government to do this on a continuous, permanent, organized basis.

Chairman of the Council on Foreign Economic Policy

And so the President called in Joe Dodge—it had been about two or three months since he laid down his burden as Director of the Budget—to come in and look over the situation. He did so for about two or three months, I believe, and evolved certain suggestions which he discussed with the President and others. The President liked his ideas. Certain modifications were made. The President asked Joe Dodge if he would undertake to organize this Council on Foreign Economic Policy, a group that would be made up of senior representatives from principal agencies having to do with the actual decision-making and policy-making in foreign economic policy. They would be brought together under the White House roof with a Special Assistant to the President as the chairman and with three members of the President's family serving as ex-officio members: the Special Assistant for National Security Affairs, the Administrative Assistant

for Economic Affairs, and a member of the Council of Economic Advisers.

The President has asked Joe Dodge to develop a mechanism for thinking ahead and coordinating on foreign economic policy, important as that is going to be in the period ahead.

I would just like to interrupt myself to make one comment about my old friend, Joe Dodge. I have read in the newspapers some apprehensions about Joe Dodge, because he is supposed to be a budget balancer and nothing else. I would say two things about that. One, when you are the Director of the Budget Bureau, if you don't try to balance the budget, nobody else will; you are one against the field. Secondly, I think Joe Dodge brings to this new post as open a mind on this whole question as anybody. The fact that he was chosen for and accepted this post means that he subscribes to the President's general philosophy with respect to foreign economic policy. The fact that he was chosen for this post means that he will approach the evaluation of any problem, together with his colleagues on this Council, with an open mind, to seek the best solution for the advancement of the enlightened self-interests of this country. This is a digression, but I do want to make the comment.

I personally am very much interested in this new group. I think that it will serve the Government and our people very well. The Federal Government is so big, the foreign economic policy is so ramified through so many parts of this enormous pyramid that heads up in a tiny point at the White House, that I think it will be exceedingly useful to get together these key people at an early stage, looking ahead, trying to avoid crash landings, trying to avoid last minute compromise solutions. If you have to compromise, then compromise three months before the final date and not one hour before the date. I bespeak for this innovation on the President's part a successful future in trying to meet these very important and very difficult problems ahead in the field of economic policy.

The Council of Economic Advisers

Now, one final word, Mr. Chairman, on the economic staff work, in which I have some interest. The Council of Economic Advisers in the Executive Office of the President is, of course, the focal point for economic research, economic analysis, and recommendation within the President's own Executive Office. I think I can report to you on the basis of my observations that the Council of Economic Advisers has made a real place for itself. It enjoys the fullest confidence of the President of the United States. He draws heavily upon it. He uses it actively. Its chairman and its two members and its staff, I think, are contributing in a very important way to observing and studying economic developments, and in the preparing of recommendations for action.

About my own relationships with the Council of Economic Advisers—let me say this: Arthur Burns' group is the research, analytical, recommendatory

organization, created by the Congress to perform that function. The particular office of the Administrative Assistant for Economic Affairs is to see to it that the staff work is done on the President's business in the field of economics, that recommendations are available for him—either agreed recommendations or, if divided recommendations, that the issues are sorted out in a clear manner and laid before him for decision. In the work of the Administrative Assistant and that of the Chairman of the Council, obviously there is a very close and intimate relationship. The two of them go in each Monday morning at 11 o'clock to report to the President, one of the few fixed appointments that the President has on his calendar. He is very much interested in being kept current on economic developments. He is very much interested in having things that he learns through his own conferences and interviews during the day evaluated and reported back to him.

The President, you know, has to be protected from his staff, too. Anybody who runs a big organization knows that. The President of the United States is protected through all the contacts he has, the people coming into his office, letters he gets, visits from members of Congress, and all those outside contacts. It is the interplay of these forces out of which he must ultimately make up his mind on difficult, controversial

matters.

I haven't spoken at all about the outer rings of agencies that I suppose in a way partake of the President, but in quite a wider sense. They are the ten departments of the Cabinet. They are the forty agencies, boards, and commissions that in one sense or another have some relation with him and have a job to do.

LOOKING at this from where I sit, we are evolving ways and means on the administrative side, the organizational side, for trying to get to the President as quickly and efficiently and concisely, and in as well-rounded a way as possible what he needs to make his decisions. In times like these when Presidents, whoever they may be, are confronted by all sorts of differences of opinion inside the country and outside the country, where actions or failures to act can have the direst kind of consequences, I think as one American citizen that—and I speak now purely as an American citizen—I think I can say to you as American citizens that while we have in the person of the President today a man with the hot blood of a soldier, we also have a man with the ice cold intellect of the master of the ship of state. And if I read correctly what I see, the ice cold intellect is going to rule the hot blood of the soldier.

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